



Los Angeles County Department of Regional Planning

Planning for the Challenges Ahead



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October 27, 2020

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**HEARING ON THE AFFORDABLE HOUSING PRESERVATION ORDINANCE
PROJECT NO. PRJ2020-000307
ADVANCE PLANNING CASE NO. RPPL2020001473
ENVIRONMENTAL ASSESSMENT NO. RPPL2020001474
(ALL SUPERVISORIAL DISTRICTS) (3-VOTES)**

SUBJECT

The recommended actions are to approve a revised Addendum to a previously certified Final Environmental Impact Report (EIR) and the Affordable Housing Preservation Ordinance (Ordinance), which amends Title 8 (Consumer Protection, Business and Wage Regulations), Title 21 (Subdivisions) and Title 22 (Planning and Zoning) of the Los Angeles County Code (County Code). The proposed Ordinance requires the replacement of affordable rental housing that is demolished, vacated, or converted from rental to for-sale; requires notification of planned condominium conversions to housing organizations qualified to preserve affordable rental housing; and facilitates the ongoing operation of existing mobilehome parks in the unincorporated areas of Los Angeles County. A project summary is included as Attachment 1, and the proposed Ordinance is included as Attachment 2.

IT IS RECOMMENDED THAT THE BOARD, AFTER THE PUBLIC HEARING:

1. Certify that the revised Addendum to the EIR for the General Plan Update (Environmental Assessment No. RPPL2020001474) (Attachment 4), has been completed in compliance with the California Environmental Quality Act (CEQA) and reflects the independent judgment and analysis of the County of Los Angeles

(County); find that the Board of Supervisors (Board) has reviewed and considered the information contained in the revised Addendum with the EIR prior to approving the project, and approve the revised Addendum;

2. Indicate its intent to approve the Project (Advance Planning Case No. RPPL2020001473), as recommended by the Regional Planning Commission (RPC), and with modifications as proposed by the Department of Regional Planning staff (staff); and
3. Instruct County Counsel to prepare the necessary final documents for the Project amending Title 8, Title 21 and Title 22 of the County Code and bring them back to the Board for their consideration.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will approve the revised Addendum to the previously certified General Plan Update EIR as prepared for this ordinance and allow the County to preserve the supply of existing affordable housing in the unincorporated areas of Los Angeles County.

In response to the ongoing local and statewide housing crisis, the Board approved a motion in February 2018 instructing staff to prepare an ordinance to preserve existing affordable housing units, both income-restricted as well as unsubsidized “naturally occurring affordable housing,” that considers a variety of anti-displacement strategies, such as the regulation of condominium conversions and mobilehome park closures, and one-for-one replacement or “no net loss” policies.

The preservation of affordable housing is a key strategy in the County’s affordable housing and homelessness prevention efforts. The proposed Ordinance complements the County’s initiatives on rent stabilization and tenant protections, as well as efforts to target funds for affordable housing to areas at higher risk of displacement. The proposed Ordinance also ensures that the County is in compliance with State laws, such as Senate Bill (SB) 330, which ensure no net loss in a jurisdiction’s affordable housing supply.

The stock of affordable housing that is at risk of becoming market-rate is significant. The County’s 2014-2021 Housing Element identified 582 income-restricted rental units at risk of conversion to market-rate development by 2024. Staff’s analysis of Census data suggests that there are over 15,000 non-income-restricted, “naturally occurring” affordable rental units in the unincorporated areas. There are also nearly 8,300 mobilehome park spaces in the unincorporated areas, which are an important source of naturally occurring affordable housing.

In developing the proposed Ordinance, staff worked with consultants to prepare two studies: a nexus and feasibility study for an Affordable Housing Replacement Fee

(Attachment 9), and a land use policy study focused on mobilehome parks (Attachment 10).

The Affordable Housing Replacement Fee study calculates the maximum fee that can be charged to a developer as an alternative to constructing replacement affordable rental housing. These fees are included in the proposed Ordinance for nonresidential projects and certain land divisions.

The Mobilehome Park Policy study includes a set of policy recommendations for near- and long-term consideration, based on best practices among California jurisdictions for the preservation of mobilehome parks as naturally occurring affordable housing.

On July 29, 2020, the RPC held a public hearing and voted unanimously to recommend approval of the proposed Ordinance with revisions. On August 5, 2020, the Airport Land Use Commission (ALUC) held a public hearing and found that the proposed Ordinance is consistent with the County Airport Land Use Plan, the General William J. Fox Airfield Land Use Compatibility Plan, and the Brackett Field Airport Land Use Compatibility Plan. A summary of RPC and ALUC proceedings is included as Attachment 6. The RPC's resolution and the ALUC's findings and order are included as Attachments 7 and 8, respectively.

Key Components

The proposed Ordinance preserves the supply of affordable housing by requiring the replacement of affordable rental housing that is demolished, vacated, or converted from rental to for-sale; requiring notification of planned condominium conversions to housing organizations qualified to preserve affordable rental housing; and facilitating the ongoing operation of existing mobilehome parks. The proposed Ordinance includes the following components:

Affordable Housing Replacement:

Applicability: In general, projects that are subject to the replacement requirements for protected units (below) include the following:

- New construction of any principal building;
- A change of a principal residential use to another principal use;
- A change in the number of dwelling units;
- A land division subject to Title 21 (Subdivisions) of the County Code; or
- Legalization of an existing unpermitted dwelling unit.

Exemptions: The proposed Ordinance also exempts certain project types from the affordable unit replacement requirements, such as the construction of a new single-family residence on a lot with no other principal buildings; a project in a Very High Fire Hazard Severity Zone, and a project in an area subject to a specific plan or policy with an affordable housing replacement requirement, among others.

Protected Units: A project must replace rental dwelling units on the site that are proposed to be or have been demolished, vacated, or converted from rental to for-sale. Rental dwelling units must be replaced if they are any of the following:

- Subject to a recorded covenant that restricts rents to levels that are affordable to moderate, lower, very low, or extremely low income households within the five years prior to application submittal;
- Rent-stabilized pursuant to County or State regulations within the five years prior to application submittal;
- Occupied by lower, very low, or extremely low income tenants within the five years prior to application submittal; or
- Withdrawn from rent or lease pursuant to Chapter 12.75 (commencing with Section 7060) of the California Government Code (known as the Ellis Act) within the 10 years prior to application submittal.

Affordability Requirements: Replacement units are required to be provided “like-for-like” (in at least the same number and for the same or lower household income levels), as reflected at the time of application submittal. If either the units or the site are vacant, but contained rental units within specified time periods, or if the household incomes are unknown, replacement units are required based on the methodology in State Density Bonus Law. In such cases, the number of affordable replacement units and the income levels are assumed to be the same as the proportion of extremely low, very low, and lower income renters in the unincorporated areas.

Tenure: Affordable replacement units must be provided as rental units, except for replacement units for income-restricted moderate-income units, which may be provided as income-restricted rental or for-sale units.

Affordability Duration: Rental replacement units are required to remain affordable in perpetuity, subject to a recorded covenant. For for-sale affordable replacement units, the initial sale is restricted to eligible buyers and requires an equity-sharing agreement with the County.

Offsite and Fee Alternatives: Affordable replacement units are required to be provided on-site unless they are counted toward an inclusionary housing requirement that is providing off-site affordable set-aside units. A replacement fee is available for non-residential projects and land divisions that do not result in an increase in units.

Condominium Conversions:

At least 30 days prior to the filing of a tentative map for the conversion of rental dwelling units to condominiums, applicants must submit to the County Development Authority the property address, number of dwelling units proposed for conversion, monthly rent per unit, applicant contact information, and indicate whether the units are subject to the County's Rent Stabilization Ordinance, for the purposes of notification to housing organizations qualified to preserve affordable rental housing.

Mobilehome Parks:

The proposed Ordinance removes barriers to the continued operation of existing mobilehome parks, many of which predate the County's requirements for a Conditional Use Permit (CUP), and/or do not conform with current allowable density or development standards. The proposed Ordinance removes redundant requirements, clarifies how the use is permitted and how density and development standards may be modified, and provides more flexibility for mobilehome parks to be repaired and maintained.

The proposed Ordinance also waives planning and zoning filing fees for mobilehome parks, which can be a significant barrier for some mobilehome parks to keep their land use entitlements current.

ADDITIONAL STAFF RECOMMENDATIONS

For clarification purposes, and to ensure consistency with the pending Inclusionary Housing Ordinance and as directed by the RPC, the attached ordinance reflects staff revisions to the Ordinance heard by the RPC on July 29, 2020. In particular, the RPC directed staff to amend the proposed Ordinance to prioritize affordable replacement units to be located as close to the principal project as possible. The proposed Ordinance limits the option for off-site replacement to within one-quarter mile of the principal project site, or sites developed as part of a community land trust, for projects that are subject to an inclusionary housing requirement and are providing affordable replacement units off-site. In addition, to align with the pending Inclusionary Housing Ordinance, the proposed Ordinance requires affordability in perpetuity for affordable replacement rental units. These changes are shown in Attachment 3.

In addition, to be consistent with the County's guidelines for SB 743, effective July 1, 2020, staff revised the Addendum to the EIR for the General Plan Update to reference updated traffic impact analysis methods. These changes are shown in Attachment 5.

Implementation of Strategic Plan Goals

The proposed Ordinance supports the County's *Strategic Plan Goal I: Make Investments That Transform Lives; Objective I.1.5: Increase Affordable Housing Throughout L.A. County* by preserving the County's supply of existing affordable housing.

FISCAL IMPACT/FINANCING

Adoption of the proposed Ordinance will not result in any significant new costs to the Department of Regional Planning or other County departments and agencies.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed Ordinance supports Goals 1, 3 and 7, as well as Policies 1.2, 3.1, 7.1 and 7.2 of the County's adopted and state-certified Housing Element, in that it will reduce regulatory barriers and facilitate the production and preservation of lower-cost housing throughout the unincorporated areas to increase housing choices for all economic segments of the population.

In addition to the public hearing conducted by the RPC on July 29, 2020, a public hearing before the Board is required pursuant to Section 22.232.040.B.1 of the County Code. Required notice (Attachment 11) has been given pursuant to the procedures and requirements set forth in Section 22.222.180 of the County Code. Additionally, more than 1,100 members of the public have been notified via email. The email notification list is included as Attachment 12.

ENVIRONMENTAL DOCUMENTATION

The Board certified the General Plan Update EIR on October 6, 2015 (State Clearinghouse No. 2011081042). The certified General Plan Update EIR is available at planning.lacounty.gov/generalplan/eir.

Based on the revised Addendum, the EIR, and other materials in the record, the County determines that the proposed Ordinance falls within the previously certified General Plan Update EIR as the Ordinance has no new significant environmental impacts; no substantial increase in the severity of previously identified significant effects; no mitigation measures or alternatives previously found infeasible and now feasible; and no mitigation measures or alternatives which are considerably different from those in the EIR. Thus, neither a subsequent nor supplemental EIR is required. However, some changes or additions are necessary to the EIR, making the revised Addendum the appropriate CEQA document for the proposed Ordinance.

There are no changes that require further review under CEQA.

The required fee, if any, to the California Department of Fish and Wildlife was paid for in conjunction with the previously certified EIR.

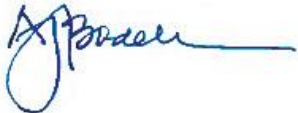
Upon your Board's approval of the proposed Ordinance, staff will file a Notice of Determination with the County Clerk in accordance with section 21152 of the California Public Resources Code.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the proposed Ordinance will not significantly impact County services.

Should you have any questions, please contact Ayala Scott in the Housing Policy Section at (213) 974-6417 or ascott@planning.lacounty.gov.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Amy J. Bodek', with a long horizontal flourish extending to the right.

AMY J. BODEK, AICP
Director of Regional Planning

AJB:BS:CC:TF:AS:el

Attachments:

1. Project Summary
2. Draft Ordinance
3. Draft Ordinance (redlined)
4. Addendum to the certified Los Angeles County General Plan Update Final Environmental Impact Report
5. Addendum to the certified Los Angeles County General Plan Update Final Environmental Impact Report (redlined)
6. Regional Planning Commission and Airport Land Use Commission Hearing Proceedings
7. Regional Planning Commission Resolution
8. Airport Land Use Commission Findings and Order
9. Los Angeles County Affordable Housing Replacement Fee Study
10. Los Angeles County Mobilehome Park Policy Study
11. Hearing Notice
12. Notification List (email)

c: Executive Office, Board of Supervisors
 County Counsel
 Chief Executive Office
 Public Works
 Fire Department
 County Development Authority

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